(2) THE MADRAS MOTOR VEHICLES (TAXATION OF PASSENGERS AND GOODS) AMENDMENT BILL, 1962 (L.A. BILL NO. 13 OF 1962).

THE HON. SRI M. BHAKTAVATSALAM : Mr. Chairman, Sir, I move—

'That the Madras Motor Vehicles (Taxation of Passengers and Goods) Amendment Bill[a], 1962 (L.A. Bill No. 13 of 1962), as passed by the Assembly, be taken into consideration'. 11-30 a.m.

Sir, as I have mentioned just a few minutes before, this Bill as well as the Madras Motor Vehicles Taxation (Amendment) Bill, 1962, which the House has just passed, are intended to secure additional funds to facilitate implementation of schemes of national development in the Third Plan.

The existing rates of tax and composition fee under the Madras Motor Vehicles (Taxation of Passengers and Goods) Act, 1952, have been in force from 1st February 1953. A tax of five naye Paise in the rupee is now levied on fares payable by passengers travelling in buses. This tax may be compounded either at Rs. 12·50 nP. per seat per quarter or at 38 nP. per seat per year per mile. We have decided to increase the rate of taxation at 10 nP. in the rupee on fares payable and also to change suitably the procedure and the rate of composition fee.

A tax of three naye Paise in the rupee is now levied on freights payable in respect of public carrier vehicles. There is also provision for compounding at Rs. 22·50 nP. per vehicle per month. Corresponding to the increase effected in respect of tax on passenger fares, we have decided to increase the existing rate of taxation in respect of freights also.

Government are satisfied after a careful analysis of earnings and expenditure that the incidence of taxation is not heavy and that the transport operators will have a reasonable margin of profit even after payment of the additional taxation now proposed.

With these words, I request the House to accept the motion.

MR. CHAIRMAN : The question is—

"That the Madras Motor Vehicles (Taxation of Passengers and Goods) Amendment Bill, 1962 (L.A. Bill No. 13 of 1962), as passed by the Assembly, be taken into consideration."

The motion was put and carried and the Bill was taken into consideration.

Clauses 2 to 6 were put and carried.

Clause 1 and the Preamble were put and carried.

THE HON. SRI M. BHAKTAVATSALAM : Sir, I move—

"That the Madras Motor Vehicles (Taxation of Passengers and Goods) Amendment Bill, 1962 (L.A. Bill No. 13 of 1962), as passed by the Assembly, be passed."

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[a] Printed as Appendix V on pages 555-558.

MR. CHAIRMAN : The question is—

"That the Madras Motor Vehicles (Taxation of Passengers and Goods) Amendment Bill, 1962 (L.A. Bill No 13 of 1962), as passed by the Assembly, be passed."

The motion was put and carried and the Bill was passed.

V.—MOTION UNDER RULE 21 (3) OF THE MADRAS LEGISLATIVE COUNCIL RULES.

THE HON. SRI R. VENKATARAMAN : Sir, with your permission, I move—

"That under rule 21 (3) of the Madras Legislative Council Rules, items (6) and (7), namely, the Madras Agricultural Income-tax (Amendment) Bill, 1962 (L.A. Bill No. 7 of 1962) and the Madras Stamp (Increase of Duties) Bill, 1962 (L.A. Bill No. 8 of 1962) be taken up before item (3), namely, the Madras General Sales Tax (Amendment) Bill, 1962 (L.A. Bill No. 6 of 1962).

Sir, the motion is made to suit the convenience of my Colleague, the Minister for Works and also the convenience of some of the Members who said that they wanted time to study the Electricity (Taxation on Consumption) Bill. I request that the motion may be accepted.

MR. CHAIRMAN : The question is—

"That under rule 21 (3) of the Madras Legislative Council Rules, items (6) and (7), namely, the Madras Agricultural Income-tax (Amendment) Bill, 1962, (L.A. Bill No. 7 of 1962) and the Madras Stamp (Increase of Duties) Bill, 1962, (L.A. Bill No. 8 of 1962) be taken up before item (3), namely, the Madras General Sales Tax (Amendment) Bill, 1962, (L.A. Bill No. 6 of 1962)."

The motion was put and carried.

IV.—GOVERNMENT BILLS—*cont.*

(3) THE MADRAS AGRICULTURAL INCOME-TAX (AMENDMENT) BILL, 1962 (L.A. BILL NO. 7 OF 1962).

THE HON. SRI V. RAMAIAH : Mr. Chairman, Sir, I move—

"That the Madras Agricultural Income-tax (Amendment) Bill [a], 1962 (L.A. Bill No. 7 of 1962), as passed by the Assembly, be taken into consideration."

In the Madras Plantations Agricultural Income-tax (Amendment) Act, 1958 (Madras Act XXIX of 1958), a special provision was made to collect tax for the assessment year 1958–59 applying the composition formula. The above provision was extended for the assessment years 1959–60, 1960–61 and 1961–62 to enable the assessees who would not have maintained proper accounts for the accounting years 1958–59, 1959–60 and 1960–61 to apply for composition.

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a **Printed as Appendix VI on pages 558–559.**